

THE COMMISSION SHOULD DENY THE CALIFORNIA PETITION FOR A TSO

- **California Petition:** On September 27, 2002, the California Public Utilities Commission (“CPUC”) filed a petition seeking authority to implement one technology specific overlay (“TSO”) in each the 310 and 909 numbering plan areas (“NPAs”) in Southern California.
- **Recommended Action:** AT&T Wireless Services, Inc. (“AWS”) urges the Commission to expedite its consideration and denial of the TSO petition and to require the CPUC to implement full area code relief immediately.
- **Reasons for Expedited Denial:** The record overwhelmingly supports *expedited* denial of the petition, given the NPAs’ imminent exhaust. Further, denial is required because the CPUC proposes “take-backs,” unnecessarily segregates wireless numbers, and fails to require 10-digit dialing. The petition also fails to make the required showing that the TSOs’ benefits outweigh their costs or that TSOs are preferable to all-services overlays.
- **Discriminatory Effects and Costs:**
 - The proposed “take-back” of 3 million wireless numbers will impose considerable costs and burdens. Wireless customers will have to change their numbers; inform friends, family, and business associates of their new number; and reprint stationery and business cards, and change advertising. There is no record evidence that wireless customers support this proposal, or that the CPUC has met the Commission-suggested incentives for the “take-backs” or a phased-in approach.
 - The segregation of wireless numbers is discriminatory and would dampen wireless-wireline competition. There is no technical basis for segregating wireless customers, because wireless carriers are currently pooling. In addition, once wireless carriers become LNP-capable, the technology-specific nature of the overlay is destroyed as well.
 - The lack of 10-digit dialing and dialing disparity effects will exacerbate the already anti-competitive and discriminatory effects of the proposed TSOs (with take-backs).
- **The TSOs Would Provide Little Benefit.** Both the 310 or 909 NPAs are estimated to exhaust in approximately 6 months. The marginal benefit of extending the lives of these NPAs is questionable, given the amount of time (by some estimates 12-18 months) it would take to complete the “take-backs.” These benefits are particularly specious given that the TSOs would convert to an all-services overlay in two years.
- **The Proposed TSOs Are Not Preferable to An All-Services Overlay:** Unlike the proposed TSOs, an all-services overlay does not have discriminatory effects and costs. It is simpler and more efficient to implement an all-services overlay now, as opposed to implementing TSOs followed by all-services overlays in two years.
- **Conclusion:** The Commission should deny the petition and require the CPUC to implement traditional area code relief immediately.

**THE COMMISSION SHOULD GRANT IN PART THE CPUC PETITION FOR A
WAIVER FROM THE CONTAMINATION THRESHOLD**

- **California Petition:** On September 5, 2002, the California Public Utilities Commission (“CPUC”) filed a petition seeking a waiver from the 10% contamination threshold rule to increase it to 25%, in order to increase donation of numbers to the pools.
- **Recommended Action:** As a general principle, AT&T Wireless Services, Inc. (“AWS”) supports the Commission’s 10% contamination threshold rule as appropriately balancing the interest of sufficient numbers in the pool against the network and carrier burdens and costs for porting numbers. It is critical to have nationwide uniform and consistent guidelines for carriers as pooling is being implemented throughout the country.
- Thus, AWS opposes grant of the waiver, except for the 310 and 909 numbering plan areas (“NPAs”), where the imminent exhaust reflects special circumstances warranting deviation from the rule, on the condition that the Commission require the CPUC immediately to implement full area code relief in these NPAs.
- **Good Cause Does not Exist to Grant this Waiver Request for the Entire State:** The CPUC has failed to demonstrate the “special circumstances” warranting waiver of the rule. Among other things, there is no evidence that California has a “severe” shortage of numbers. Further, there is no evidence that California’s numbering resource situation is any more “unique” than other states, or that California requires more numbers in its pools.
- In addition, it would be inconsistent with the public interest to waive the rule for California. Increasing the contamination threshold would result in significant burdens for the network and carriers. The NANC IMG Draft Report finds that an increase in the contamination threshold throughout the state would also increase carriers’ costs. Carriers would also incur increased transaction costs for re-forecasting their need for blocks. Pooling Administrators would also have increased blocks to administer.
- **Good Cause Exists to Waive the Rule in the 310 and 909 NPAs.** There are special circumstances, however, in the 310 and 909 NPAs, which justify waiver for these NPAs:
 - The 310 and 909 NPAs are on the brink of exhaust. As of November 2002, the 310 NPA had only 6 NXX codes left and the 909 NPA had 12 NXX codes remaining. Unfortunately, even if the CPUC began implementing area code relief in these NPAs today (which they cannot), it is highly likely that they would exhaust before such overlays are implemented. It appears that waiver of the contamination threshold will increase donation of critically needed numbers to these pools.
 - The waiver should be conditioned on the CPUC’s immediate implementation of area code relief in these NPAs.

Conclusion: The Commission should grant the waiver only for the 310 and 909 NPAs and on the condition that the CPUC implement traditional area code relief immediately in these NPAs.